

Statement of Rep. Tom Davis
Ranking Republican Member
Committee on Oversight and Government Reform
Allegations of Misconduct at the General Services Administration
March 28, 2007

Mr. Chairman, you know how much I respect you and how much I value our work together. But your description of this “investigation” brings to mind what Mark Twain said about flawed science: “One gets such wholesale returns of conjecture out of such a trifling investment of fact.” For that’s what we’re dealing with today: accusatory conjecture based on the selective and biased interpretation of very few facts.

The title of today’s hearing pretty much says it all: “Allegations of Misconduct at the General Services Administration.” Not facts. Not findings. Not even credible complaints. Just allegations picked up from hostile media reports based on un-vetted sources. As we’ll see, at the end of the day these “allegations” will still be, as the dictionary defines the term, assertions “unsupported and by implication regarded as unsupportable.”

Sadly, this hearing represents the fullest expression yet of the *modus operandi* adopted by the Committee’s new majority: Citing yesterday’s news clips, release an accusatory, conclusory “inquiry” letter. Through amplification and repetition of mere allegations, seek a conviction in the court of political opinion. Call a hearing.

First the verdict, then the trial.

This process renders hollow the promise of collegiality and consultation with the minority. Only after the fact are we told witnesses have been threatened with subpoenas unless they submit to coercive “transcribed interviews” never anticipated by Committee rules. In these non-deposition depositions, the prior notice and other procedural protections otherwise due to witnesses and the minority can be ignored. Future witnesses be advised: When Chairman Waxman expresses his hope to proceed without a subpoena, volunteer immediately for a deposition. That way we’ll all have time to prepare and we’ll all know how and when the transcript can be used to support official Committee business.

In this case, the Committee has expended significant resources searching for anything to support their *a priori* conclusions, but have found virtually nothing. We received and reviewed 14,086 pages of documents from the General Services Administration (GSA). Without consultation with the minority staff or the Ranking Member, the majority staff, largely through the threat of subpoena, conducted 14 transcribed "interviews," securing the "voluntary" attendance of current and former GSA officials from as far away as Boston and Denver. Two GSA officials flew from Boston to Washington, D.C. for "interviews" regarding the Hatch Act allegations. The Boston officials were questioned for as little as 30 minutes in one instance and 40 in another. No reason was supplied why these "interviews" could not take place telephonically. Agency counsel was not permitted to be present at those interviews. Personal counsel was said to be permitted. However, four witnesses stated, for the record, they were not told they were permitted to retain personal counsel for these transcribed interviews. Nevertheless, one "interviewee" did bring personal counsel.

Not surprisingly, this flawed process has produced an equally flawed product. As discussed at length in the staff report we are releasing today, the accusations leveled against the GSA Administrator, Mrs. Lurita Doan, are either flat-out wrong or based on a distorted and myopic view of the management responsibilities of the head of a major federal agency.

Lurita Doan is a talented, motivated professional. Born in New Orleans, she was one of the first African-American children to integrate that city's private schools. She was only seven. That first day, she was knocked down, kicked and hit with a brick. But she persisted. She earned her undergraduate degree from Vassar and a master's degree in Renaissance literature from the University of Tennessee-Knoxville. A self-described "unabashed entrepreneur" she started a successful technology business which she sold before entering public service. She and her husband of twenty-two years have two daughters.

Perhaps the saddest, most reprehensible aspect of this defective oversight was the attempt to drag one of Ms. Doan's daughters into the web of circumstance being spun to ensnare her mother. That a business friend of Ms. Doan provided her daughter a reference for a Capitol Hill internship application is offered as evidence to support alleged "misconduct" in dealings between two professional women years later. It's as implausible as it is inappropriate.

The breathlessly described "no-bid" contract hardly turned out to be the elaborate scheme to enrich an acquaintance alleged by the majority. We found only that Administrator Doan wanted very much to acquire a study of GSA's use of small businesses, particularly those owned by minorities and women. It is a topic about which she knows much and cares deeply. She was understandably embarrassed and dismayed that the agency she just took over had received an "F" from the Small Business Administration for small and minority business utilization. She was determined to improve GSA's image and score.

The evidence supports the conclusion her motives were clear, if her methods a bit overzealous. She wanted to engage the services of a well-regarded diversity consulting firm, Diversity Best Practices, to help fix the problem. The Administrator erroneously believed she had the authority to acquire these services for \$20,000 on an expedited, sole-source basis. When she learned otherwise, the arrangement was called off. No contract was awarded. No work was ever performed. No money changed hands.

She has expressed regret that it happened, but continues – as is her way – to advocate forcefully to improve GSA outreach to small, minority and women-owned businesses.

With regard to the contract extension to Sun Microsystems, there is simply no evidence to support the allegation that Ms. Doan acted improperly. Ms. Doan never spoke to or pressured any of the contracting officers to exercise the Sun option. In the end, the contract extension terms were judged by the contracting officer to be fair and reasonable.

Similarly, there is no evidence to support the allegation that she intervened in the suspension and debarment process. She merely asked her Chief of Staff for a briefing on a matter which could have resulted in a government-wide prohibition against awarding any contracts to most of the major national accounting firms. Such an inquiry was ordinary and appropriate. It would have been negligent not to be apprised about the ramification of so significant an action. The agency's suspension and debarment official stated, "At no time did I receive any direct or indirect instruction or comment from the Office of the Administrator." He said he, "processed and concluded the matter as directed by the factual record in accordance with the prescribed process."

Finally, there's the alleged Hatch Act violations. It appears that on January 26, 2007 (remember that date), at the conclusion of a staff luncheon attended by GSA political appointees, the Administrator made an offhand comment about "helping our candidates." That comment has somehow been connected to other conversations about inviting public officials to GSA building dedications. Efforts to invite Speaker Nancy Pelosi to an event in her district, and to include Senator Mel Martinez in a similar event in Florida, are anecdotally relayed as evidence of prohibited partisan activity on federal property. Such comments may be impolitic, but several factual realities defeat the effort to make them evidence of unlawful political activity. What candidates? What election? In January of this year, neither Representative Pelosi nor Senator Martinez was a candidate for any public office. No other "candidates" are mentioned. Based on the evidence before us, the only politics at GSA appear to be intramural, and it's a tough sport.

Administrator Doan has had some disagreements with the GSA Inspector General. She thought him needlessly adversarial in assessing the inevitably subjective judgments of contract officers. That, it seems, is when her problems began. The IG, a former federal prosecutor, takes issue, often publicly, with current GSA leadership on the reach and role of his office. That is his right. But the statement provided to the Committee by the IG for today's hearing is an extraordinary narrative.

Apparently, hell hath no fury like an IG scorned. Rather than audit results or investigative findings, he brings us anecdotes, conjecture, innuendo and invective to impugn the judgment and character of the GSA Administrator. His statement mischaracterizes information provided to this Committee and it appears his office provided information to the majority and others that was not made available to us. We will have more than a few questions for the Inspector General today.

Finally, I want to bring to the Committee's attention an e-mail sent yesterday by Ms. Shana Budd, the GSA contract officer who finalized the Sun Microsystems contract extension. She takes issue with the majority's attacks on her integrity and her work. It's important for Members and the public to understand the demoralizing professional and personal toll of the investigative tactics being used by the majority in this instance.